
Financial results for the six months ended September 30, 2016
Appendix

INPEX CORPORATION

November 14, 2016

Subsidiaries and Affiliates

64 consolidated subsidiaries

Major subsidiaries	Country/region	Ownership	Stage	Accounting term
Japan Oil Development Co., Ltd.	UAE	100%	Production	March (provisional settlement of account)
JODCO Onshore Limited	UAE	51 %	Production	December
INPEX Natuna, Ltd.	Indonesia	100%	Production	March
INPEX Sahul, Ltd.	Timor Sea Joint Petroleum Development Area	100%	Production	December
INPEX Ichthys Pty Ltd	Australia	100%	Development	March (provisional settlement of account)
INPEX Southwest Caspian Sea, Ltd.	Azerbaijan	51%	Production	March (provisional settlement of account)
INPEX North Caspian Sea, Ltd.	Kazakhstan	45%	Production	March (provisional settlement of account)
INPEX Oil & Gas Australia Pty Ltd	Australia	100%	Development	December
INPEX Gas British Columbia Ltd.	Canada	45.09%	Production/ Evaluation	December

20 equity method affiliates

Major affiliates	Country/region	Ownership	Stage	Accounting term
MI Berau B.V.	Indonesia	44%	Production	December
Angola Block 14 B.V.	Angola	49.99%	Production	December
INPEX Offshore North Campos, Ltd.	Brazil	37.5%	Production	December
Ichthys LNG Pty Ltd	Australia	62.245%	Development	March (provisional settlement of account)

Segment Information

For the six months ended September 30, 2016 (April 1, 2016 through September 30, 2016)

(Millions of yen)

	Reportable segments						Adjustments *1	Consolidated *2
	Japan	Asia & Oceania	Eurasia (Europe & NIS)	Middle East & Africa	Americas	Total		
Sales to third parties	42,603	102,775	30,680	209,037	4,561	389,657	—	389,657
Segment income (loss)	6,020	17,574	5,474	118,740	(5,360)	142,448	(4,375)	138,072

Note: 1. Adjustments of segment income of ¥(4,375) million include elimination of inter-segment transactions of ¥6 million and corporate expenses of ¥(4,381) million. Corporate expenses are mainly amortization of goodwill that are not allocated to a reportable segment and general administrative expenses.
2. Segment income is reconciled with operating income on the consolidated Statements of Income.

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LPG Sales

	Apr.-Sep. '15	Apr.-Sep. '16	Change	%Change
Net sales (Billions of yen)	5.5	3.6	(1.9)	(34.7%)
Sales volume (thousand bbl)	1,168	1,096	(71)	(6.1%)
Average unit price of overseas production (\$/bbl)	39.14	31.22	(7.92)	(20.2%)
Average unit price of domestic production (¥/kg)	71.93	50.24	(21.69)	(30.2%)
Average exchange rate (¥/\$)	121.39	105.81	15.58 yen appreciation	12.8% yen appreciation
Sales volume by region (thousand bbl)	Apr. - Sep. '15	Apr.-Sep. '16	Change	%Change
Japan	3 (0.2 thousand ton)	2 (0.2 thousand ton)	(0) (-0.0 thousand ton)	(16.9%)
Asia & Oceania	1,165	1,094	(71)	(6.1%)
Eurasia (Europe & NIS)	-	-	-	-
Middle East & Africa	-	-	-	-
Americas	-	-	-	-
Total	1,168	1,096	(71)	(6.1%)

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(Millions of yen)	Apr.-Sep. '15	Apr.-Sep. '16	Change	Note
Net income attributable to owners of parent	45,485	15,727	(29,758)	P/L
Net income (loss) attributable to non-controlling interests	(6,165)	8,986	15,151	P/L
Depreciation equivalent amount	65,331	83,918	18,586	
Depreciation and amortization	35,109	43,289	8,179	C/F Depreciation under concession agreements and G&A
Amortization of goodwill	3,380	3,380	-	C/F
Recovery of recoverable accounts under production sharing (capital expenditures)	26,842	37,249	10,407	C/F Depreciation under PS contracts
Exploration cost equivalent amount	23,765	3,494	(20,270)	
Exploration expenses	4,093	2,462	(1,631)	P/L Exploration expense under concession agreements
Provision for allowance for recoverable accounts under production sharing	18,022	1,032	(16,989)	P/L Exploration expense under PS contracts
Provision for exploration projects	1,650	-	(1,650)	P/L Exploration expense under PS contracts
Material non-cash items	8,012	6,160	(1,852)	
Income taxes-deferred	6,745	(10,755)	(17,501)	P/L
Foreign exchange loss (gain)	1,267	16,915	15,648	C/F
Net interest expense after tax	(1,495)	(1,962)	(467)	P/L After-tax interest expense minus interest income
EBIDAX	134,933	116,325	(18,608)	

4

Analysis of Recoverable Accounts under Production Sharing

(Millions of yen)	Apr.-Sep. '15	Apr.-Sep. '16
Balance at beginning of the period	703,291	727,771
Add:		
Exploration costs	22,325	5,529
Development costs	63,867	28,111
Operating expenses	35,954	24,794
Other	6,686	2,045
Less:		
Cost recovery (CAPEX)	26,842	37,249
Cost recovery (non-CAPEX)	56,246	36,280
Other	1,219	-
Balance at end of the period	747,817	714,722
Less allowance for recoverable accounts under production sharing at end of the period	139,491	133,374

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Net Income Sensitivities

[As of May 12, 2016]

- Sensitivities of crude oil price and foreign exchange fluctuation on consolidated net income attributable to owners of parent for the year ending March 31, 2017 (Note 1)

(Billions of yen)

■ Brent Crude Oil Price; \$1/bbl increase (decrease) (Note 2)	+2.9 (-2.9)
■ Exchange Rate; ¥1 depreciation (appreciation) against the U.S. dollar (Note 3)	+1.3 (-1.3)

(Note1) The sensitivities represent the impact on net income for the year ending March 31, 2017 against a \$1 /bbl increase (decrease) of Brent crude oil price on annual average and a ¥1 depreciation (appreciation) against the U.S. dollar. These are based on the financial situation at the beginning of the fiscal year. These are for reference purposes only and the actual impact may be subject to change in production volumes, capital expenditures and cost recoveries, and may not be constant, depending on crude oil prices and exchange rates.

(Note2) This is a sensitivity on net income by fluctuation of crude oil price and is subject to the average price of crude oil (Brent) in the fiscal year.

(Note3) This is a sensitivity on net income by fluctuation of the yen against the U.S. dollar and is subject to the average exchange rate in the fiscal year. On the other hand, a sensitivity related to valuation for assets and liabilities denominated in the U.S. dollar on net income incurred by foreign exchange differences between the exchange rate at the end of the fiscal year and the end of the previous fiscal year is almost neutralized.

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Sales and Investment plan for the year ending March 31, 2017

【Reference】

Forecasts for the year ending March 31, 2017		As of May 12, 2016	As of Nov. 11, 2016	Change	Apr.-Sep. '16 (Actual)
Sales Volume	Crude oil (Mbbbl) ¹	123,334	123,481	147	59,970
	Natural gas (MMcf) ²	333,192	339,357	6,165	165,837
	Overseas	259,907	267,400	7,493	136,314
	Japan	73,286 (1,964 million m ³)	71,956 (1,928 million m ³)	(1,330) (-36 million m ³)	29,523 (791 million m ³)
	LPG (Mbbbl) ³	1,788	1,645	(143)	1,096

(Billions of yen)

Development expenditure ⁴	667.0	607.0	(60.0)	294.4			
Other capital expenditure	11.0	10.0	(1.0)	6.4			
Exploration expenditure	17.0	16.0	(1.0)	7.8			
Exploration expenses and Provision for explorations ⁵	Exploration Cost 5.1 Provision for allowance for exploration 5.5	10.6	Exploration Cost 5.0 Provision for allowance for exploration 4.4	9.5	(1.1)	Exploration Cost 2.4 Provision for allowance for exploration 0.9	3.4
(Non-controlling interest portion) ⁶	11.4	4.5	(6.9)	1.5			

Note

1 CF for domestic crude oil sales and petroleum products : 1kl=6.29bbl

2 CF for domestic natural gas sales : 1m3=37.32cf

3 CF for domestic LPG sales : 1t=10.5bbl

4 Development expenditure includes investment in Ichthys downstream

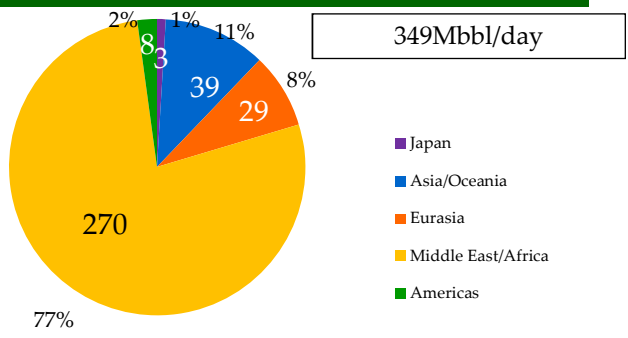
5 "Provision for allowance for recoverable accounts under production sharing" + "Provision for exploration projects"

6 Capital increase from non-controlling shareholders, etc.

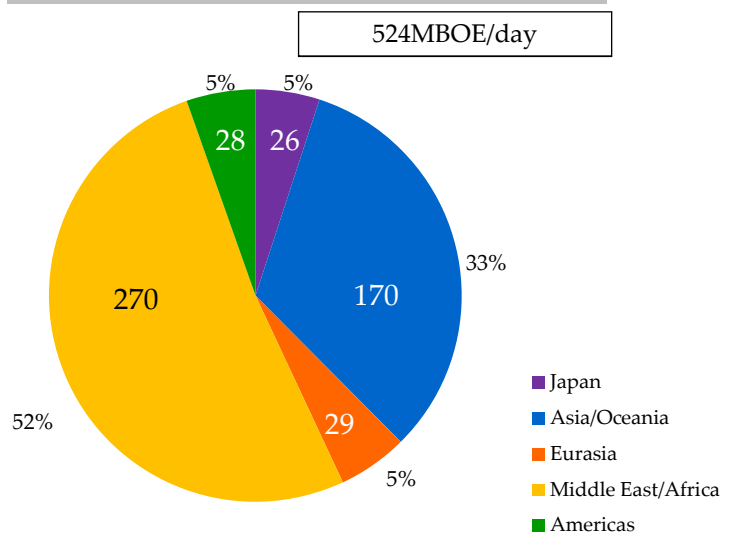
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Net Production* (Apr. 2016 – Sep. 2016) **INPEX**

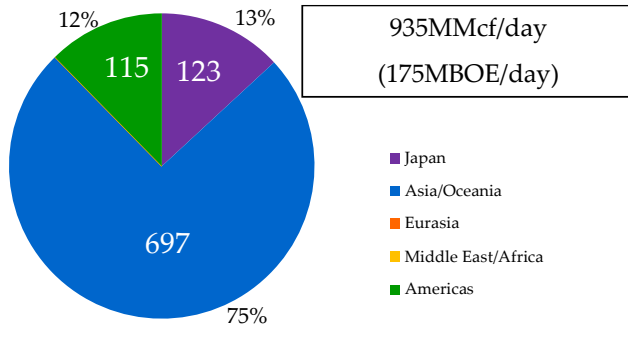
Oil/Condensate/LPG



Total



Natural Gas

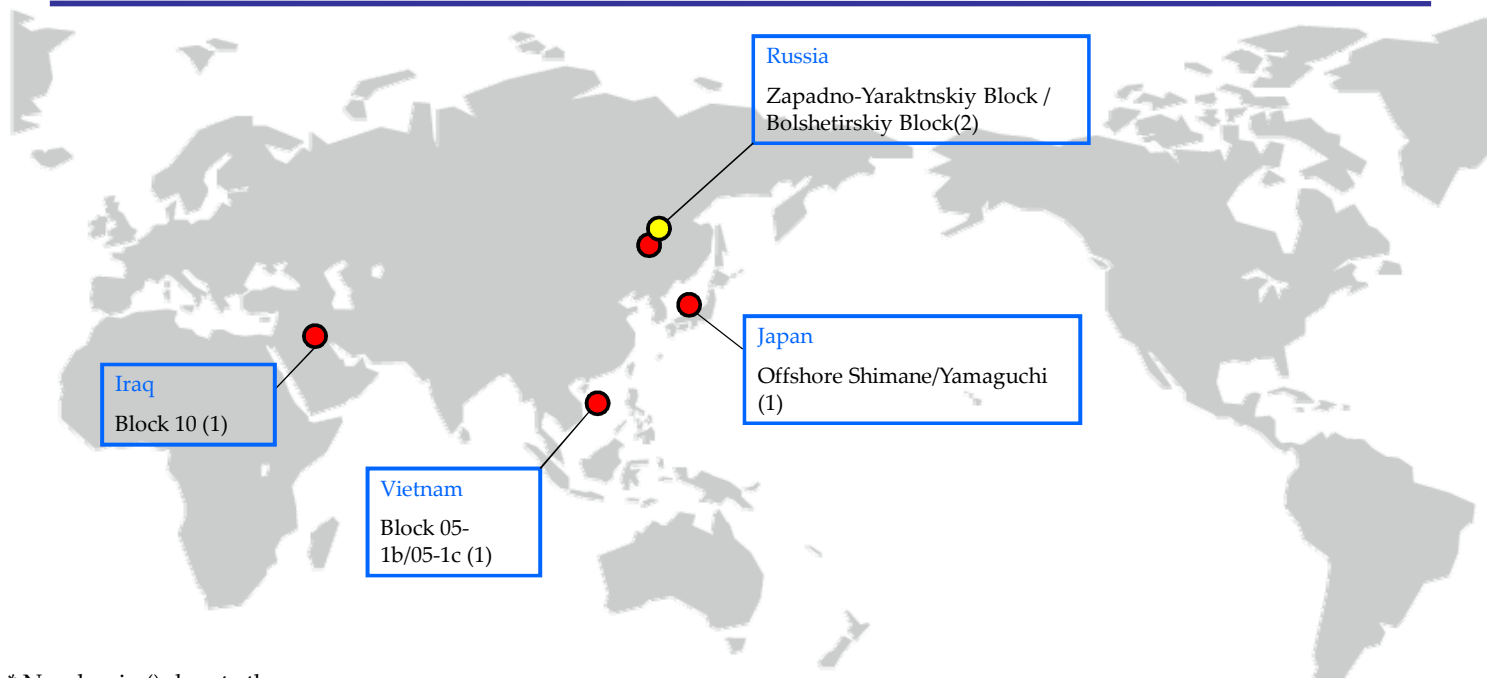


8 * The production volume of crude oil and natural gas under the production sharing contracts entered into by INPEX Group corresponds to the net economic take of our group.



Project Summary

Exploration Work Programs (as of the end of September 2016)*



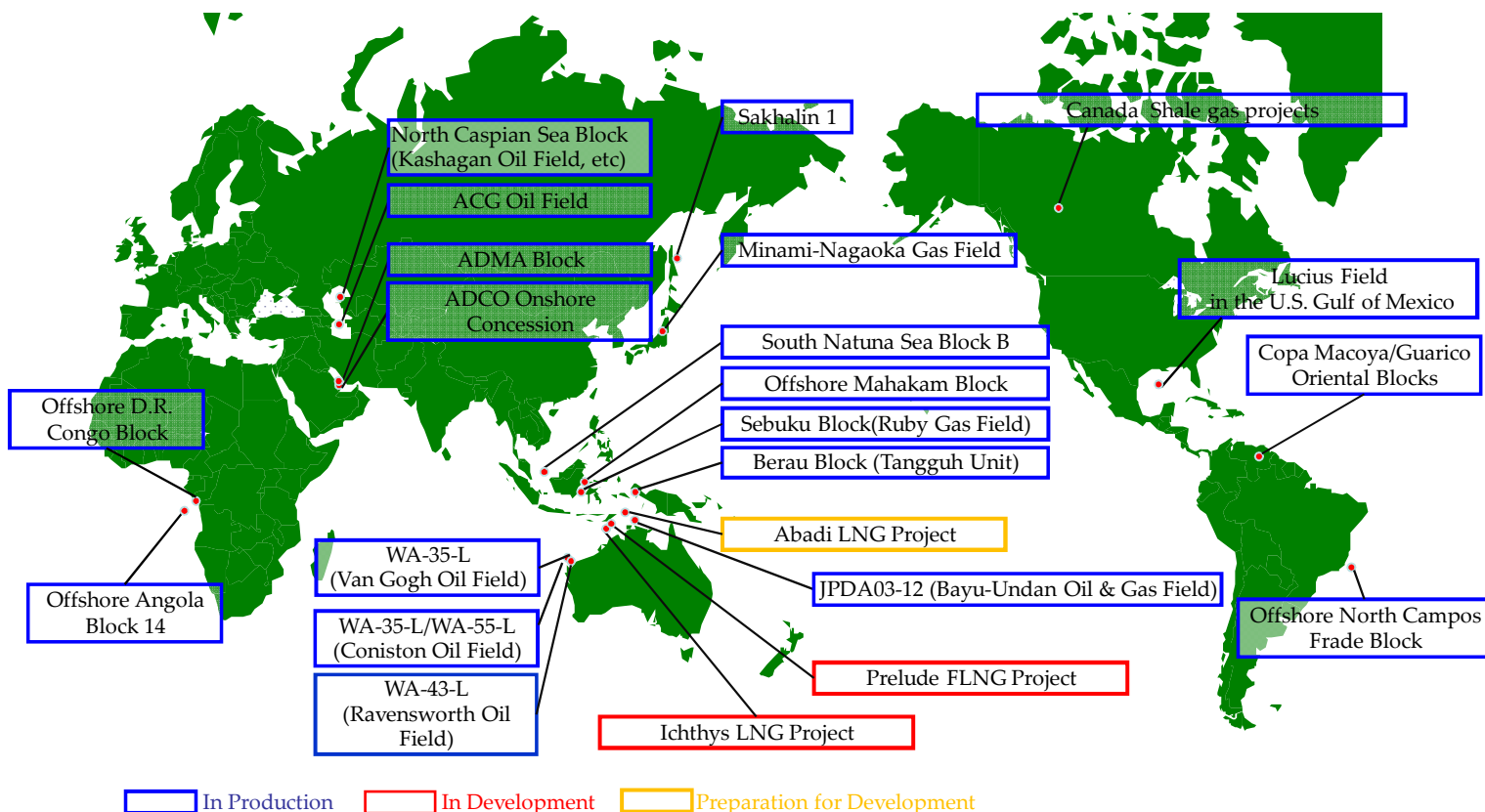
* Number in () denote the number the number of drilling wells

- Exploration Well
- Appraisal Well

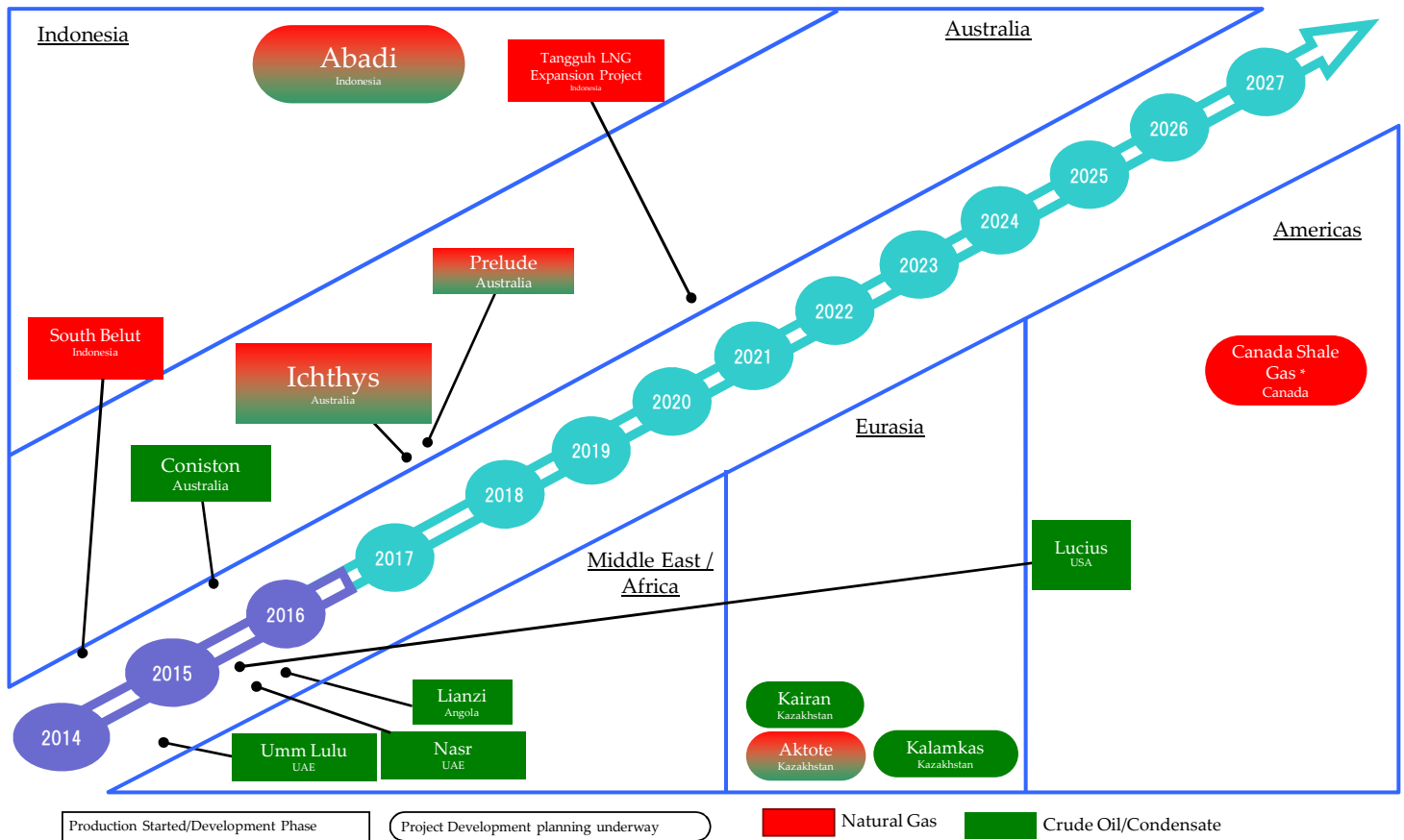
	Exploration Expenditure (Billions of Yen)	Exploratory Well (well)	Appraisal Well (well)	Seismic Survey 2D (km)	Seismic Survey 3D (km ²)
Mar. '17 (Estimated)	16.0	5	5	406	2,628
Completed or in operation	7.8	4	1	406	0

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Major Assets in Production & Development **INPEX**

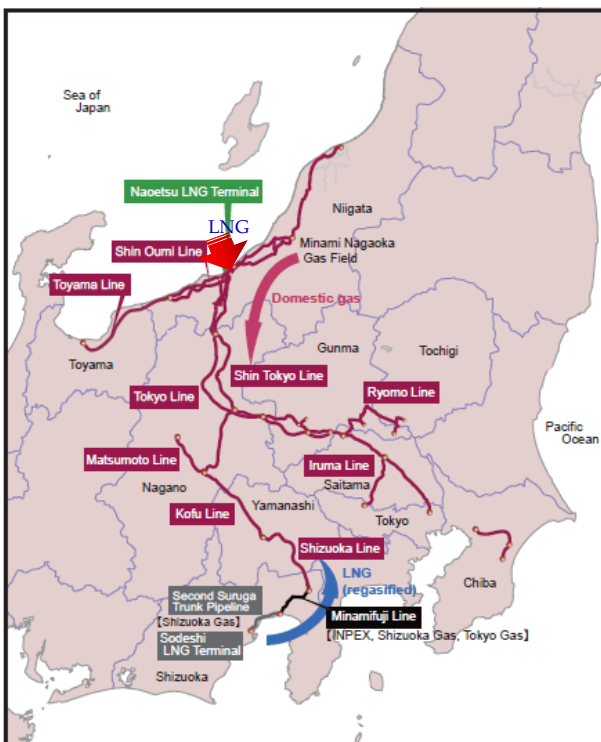


Production Start-up Schedule



12 * Partially in production

Natural Gas Business in Japan INPEX CORPORATION



-Production volume* :

- Natural gas: approx. 3.3million m³/d (123 million scf/d)**
- Crude oil and condensate : approx. 3,000 bbl/d

-Natural Gas Sales

- FY 2016/03 : approx. 1,750 million m³**
- FY 2017/03(e) : approx. 1,930 million m³**
- Expectations of more than 2,500 million m³ in the first half of the 2020s, 3,000 million m³ in the long-term

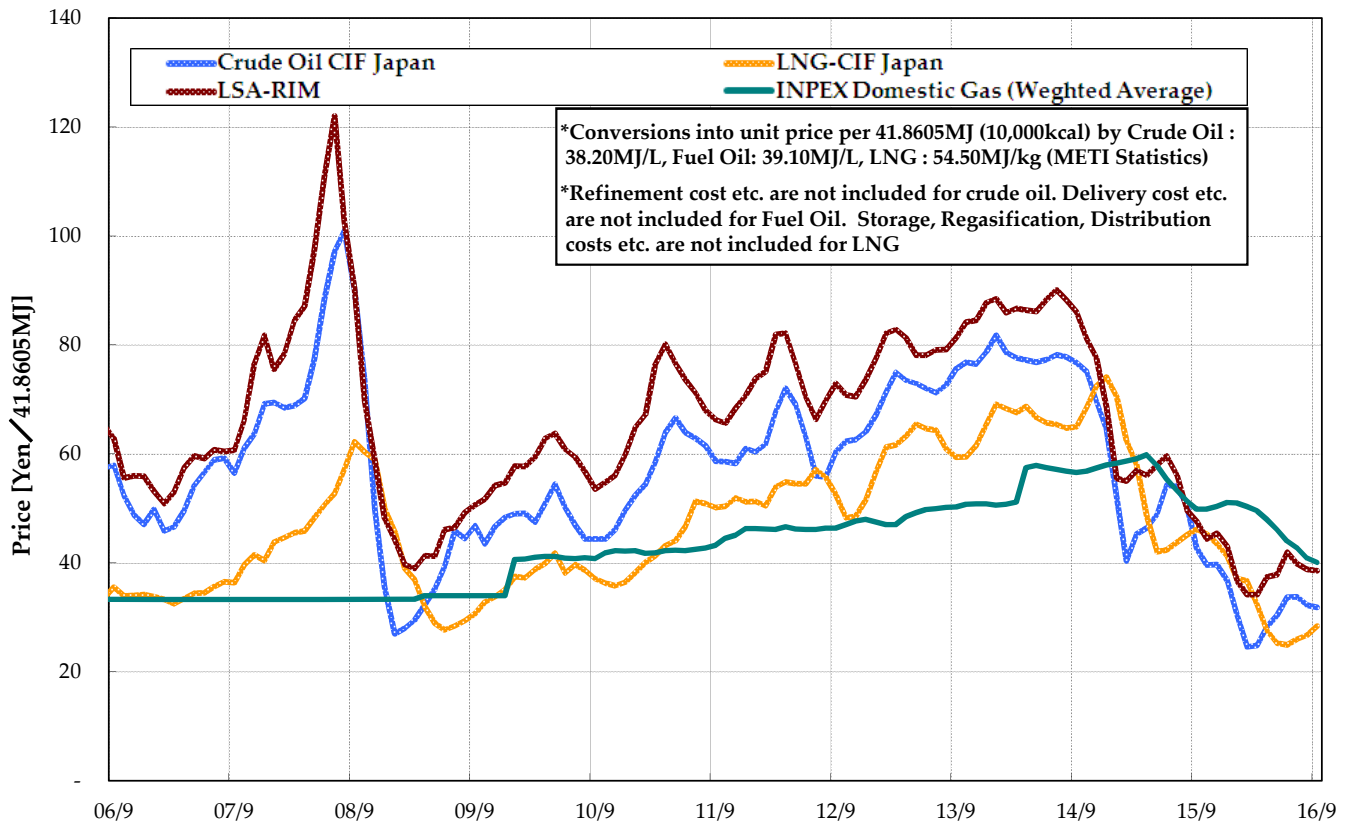
-Gas Supply Chain

- Started commercial operations at Naoetsu LNG Terminal in December 2013
- Toyama Line completed in June 2016

*sum of domestic crude oil and gas fields : average daily volume for the six months ended Sep. 30, 2016

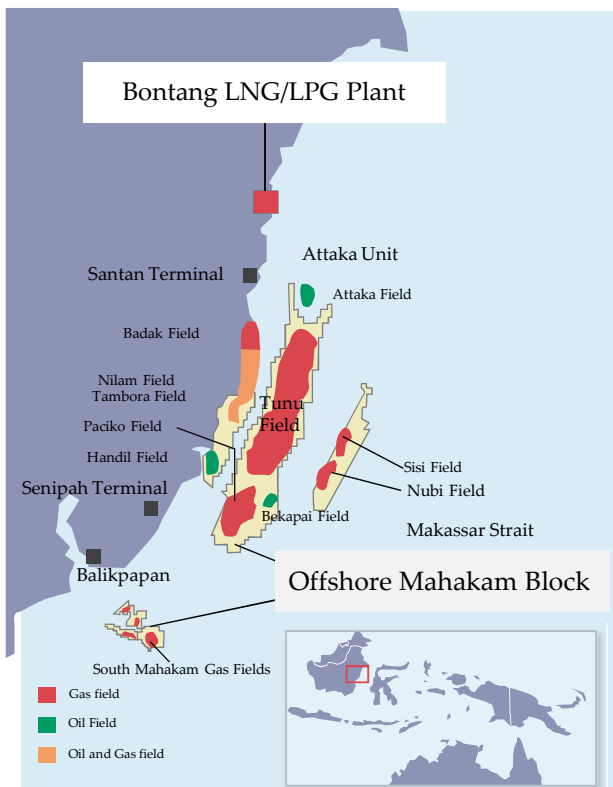
**1m³ =41.8605MJ

Price Comparison per Unit



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Offshore Mahakam Block INPEX CORPORATION



- Participating Interest: 50% (Operator: TOTAL)
- Production volume*
 - Crude Oil and Condensate: Approximately 62,000 bbl/d
 - LPG: Approximately 15,000bbl/d
 - Natural Gas**: Approximately 1,769 million cf/d
- PSC: Until 2017
- Development activities mainly in the Tunu, Peciko, Sisi, Nubi and South Mahakam gas fields continue to maintain a stable supply of gas to Bontang LNG plant
- LNG supply to Indonesia's first LNG receiving terminal (FSRU: Floating Storage and Regasification Unit) in West Java started in April 2012
- Production of the South Mahakam Gas Fields commenced at the end of October 2012
- Currently in discussions with Pertamina and TOTAL concerning participation in the block after 2018

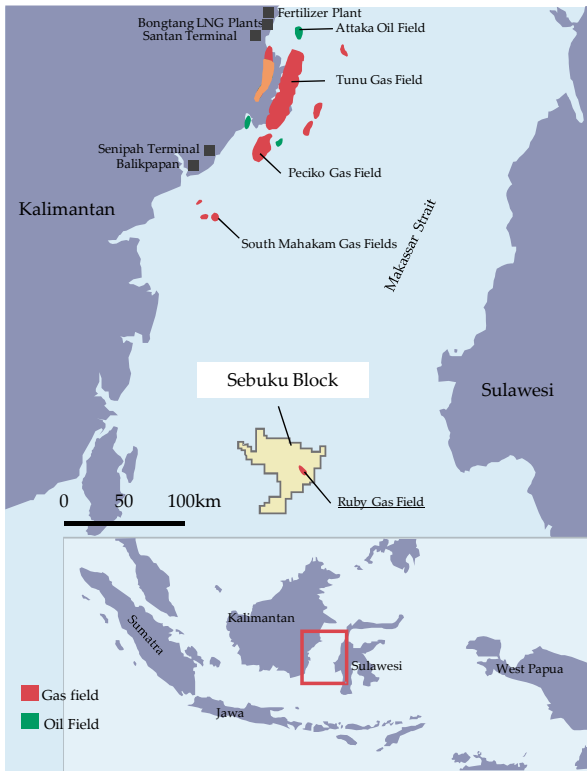
* on the basis of all fields and average rate for Sep. 2016

** Volume not at wellheads but corresponding to the sales to buyers

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Sebuku Block (Ruby Gas Field)

INPEX South Makassar, Ltd.



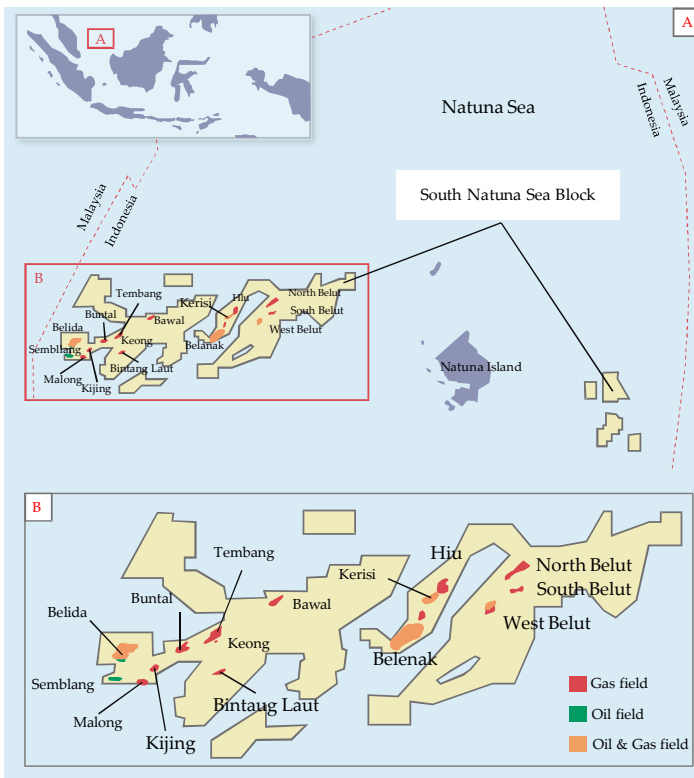
- Participating Interest: 15%
(Operator : PEARLOIL (Mubadala))
- Production volume*:
 - Natural Gas**: Approximately 87 million cf/d
- PSC: Until 2027
- FOA (Farm Out Agreement) with Pearl Energy was approved by the Indonesian government in August 2010 (INPEX acquired a 15% interest).
- FID (Final Investment Decision) reached in June 2011
- Offshore facilities tied in to the onshore facilities of the Offshore Mahakam Block by subsea pipeline.
- Produced gas is mainly supplied to domestic fertilizer plants in Indonesia.
- Production commenced in October 2013.

* on the basis of all fields and average rate for Sep. 2016

** Volume not at wellheads but corresponding to the sales to buyers

South Natuna Sea Block B

INPEX Natuna, Ltd.



- Participating Interest: 35.0%
(Operator : ConocoPhillips)
- Production volume*:
 - Crude Oil: Approximately 19,000 bbl/d
 - LPG : Approximately 8,000 bbl/d
 - Natural Gas**: Approximately 216 million cf/d
- PSC: Until 2028
- Signed a gas sales contract for 27 years from 2001 with SembCorp (Singapore) and for 20 years from 2002 with Petronas (Malaysia)
- Production at the Bawal gas field started in July 2012
- Production at the South Belut gas field commenced in April 2014

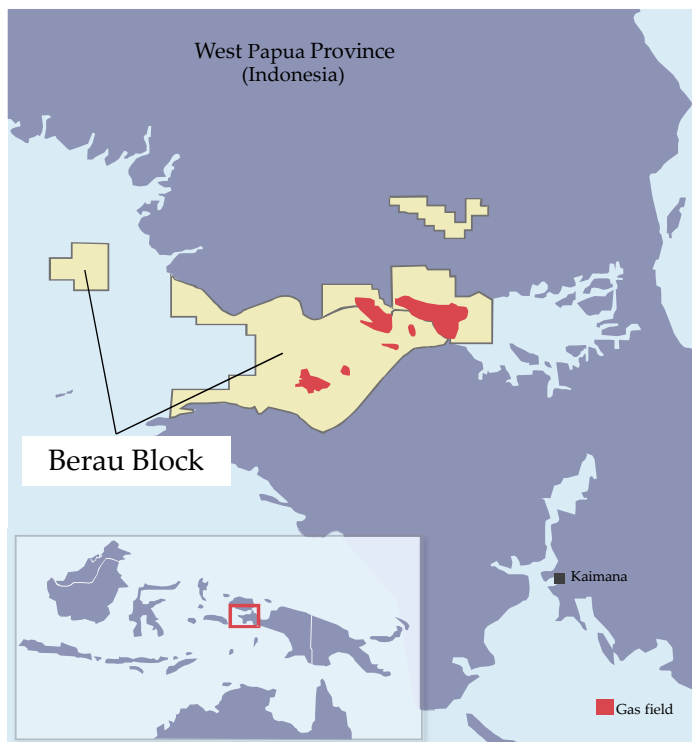
* on the basis of all fields and average rate for Sep. 2016

** Volume not at wellheads but corresponding to the sales to buyers

Berau Block (Tangguh LNG Project)

MI Berau B.V. / MI Berau Japan Ltd.

INPEX



- MI Berau B.V./MI Berau Japan Ltd.* : Joint venture with Mitsubishi Corporation (INPEX 44%, Mitsubishi 56%) *MI Berau Japan owns approximately 16.5% share of KG Berau Petroleum Ltd.
- Participating Interest in the Berau PSC:
 - MI Berau : 16.3% Tangguh Unit
 - KG Berau Petroleum : 8.56% Tangguh Unit
 - Operator : BP
- Production volume*:
 - Condensate: Approximately 6,000 bbl/d
 - Natural Gas**: Approximately 993 million cf/d
- PSC: Until 2035
- LNG production capacity: 7.6 million tons per year
- LNG sales started in July 2009
- In July 2016, announced FID for expansion project (to add a LNG process train with 3.8 million tons per year of LNG production capacity)

* on the basis of all fields and average rate for Sep. 2016

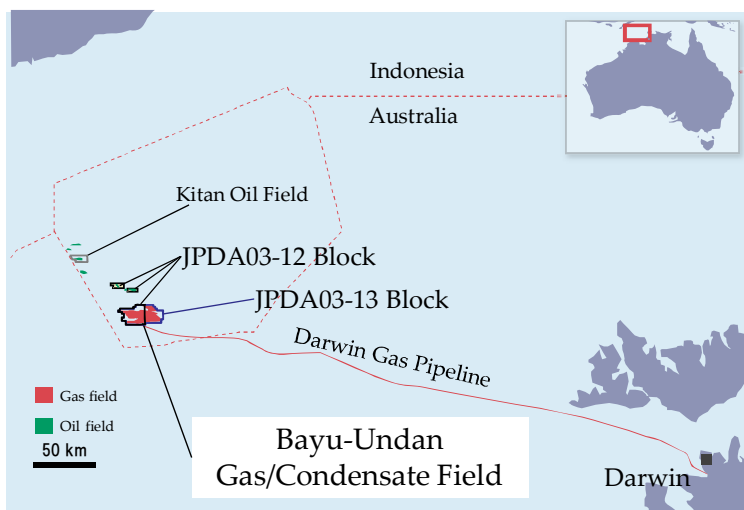
** Volume not at wellheads but corresponding to the sales to buyers

18

JPDA03-12 /JPDA03-13 Block (Bayu-Undan Gas Condensate Field)

INPEX Sahul, Ltd.

INPEX



- Participating Interest: 11.378120% (Operator: ConocoPhillips)
- Production volume*:
 - Condensate: Approximately 23,000 bbl/d
 - LPG: Approximately 15,000 bbl/d
 - Natural Gas**: Approximately 319 million cf/d
- PSC: Until 2022
- Sales of condensate and LPG started in February 2004
- Entered into LNG Sales Contract with TEPCO (currently JERA) and Tokyo Gas in August 2005 (3 million t/y for 17 years from 2006)
- LNG sales started in February 2006

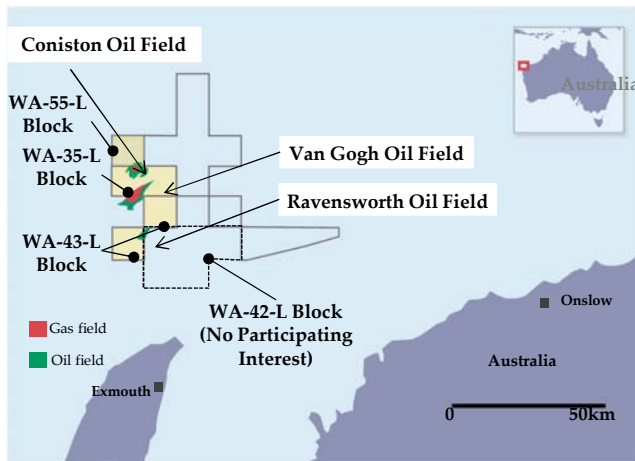
* on the basis of all fields and average rate for Sep. 2016

** Volume not at wellheads but corresponding to the sales to buyers

19

Van Gogh, Coniston and Ravensworth oil fields

INPEX Alpha, Ltd.



Van Gogh Oil Field (WA-35-L) / Coniston Oil Field (WA-35-L/WA-55-L)

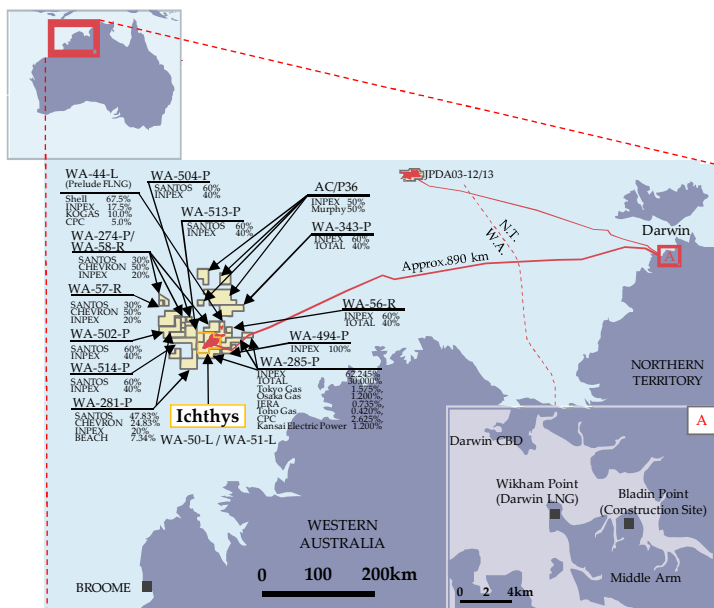
- Participating Interest: 47.499% (Operator: Quadrant Energy)
- Concession Agreement: Production License was granted in October 2008
- Production volume*:
 - Crude Oil: Approximately 11,000bbl/d
- Van Gogh Oil Field : production started in February 2010
- Coniston Oil Field: production started in May 2015
- Novara structure (Coniston Oil Field): production started in July 2016

Ravensworth Oil Field (WA-43-L)

- Participating Interest: 28.5% (Operator :BHPBP)
- Production volume*:
 - Crude Oil: Approximately 6,000bbl/d
- Concession Agreement: production license was granted in November 2009
- Connected to production facilities at the adjacent WA-42-L
- Production started in August 2010

* on the basis of all fields and average rate for Sep. 2016

Ichthys LNG Project(1/5)



- Announced FID on January 13, 2012
- Production start target : 3rd quarter (July-September) of 2017
- Production capacity : LNG : approx. 8.9 million t/y (equivalent to approx. 10% of Japan's current LNG annual import volume), LPG : approx. 1.6 million t/y, Condensate : approx. 100,000 barrels per day(at peak)
- Reserves : Approx. 930 million BOE of proved reserves (based on INPEX's participating interest of 62.245%). LNG production is expected to continue for 40 years with substantial LPG and Condensate production.
- Participating Interest: INPEX 62.245%, TOTAL 30.000%, Tokyo Gas 1.575%, Osaka Gas 1.200%, JERA 0.735%, Toho Gas 0.420%, CPC 2.625%, Kansai Electric Power 1.200%

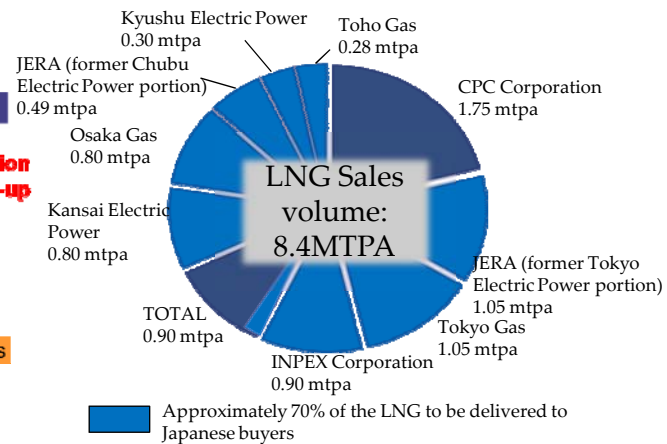
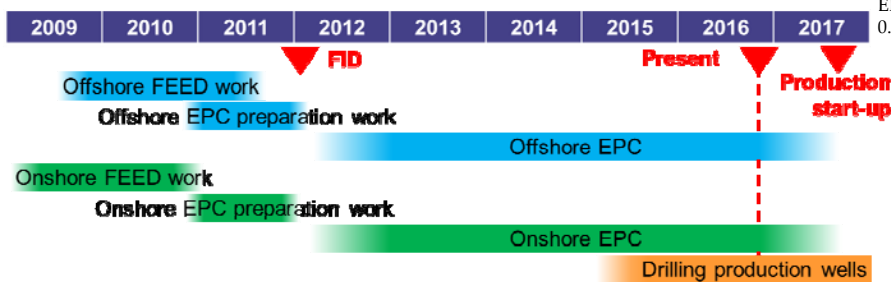
Ichthys LNG Project(2/5)

- Marketing: LNG SPAs secured for all the LNG production initially planned (8.4 million t/y)
- Major Government approvals: Environmental approval, Pipeline licenses, Production licenses all obtained
- CAPEX : approx. 10% increase (compared with the time of FID)
- Project Financing : Arrangement for US\$ 20 billion of project financing with ECAs and major commercial banks were completed in December 2012.
- EPC Works : Major EPC Contracts were awarded.

Upstream business : CPF: Samsung Heavy Industries, FPSO: Daewoo Shipbuilding & Marine Engineering, Subsea Production System (SPS): GE Oil & Gas, Umbilical, Riser and Flowline (URF): McDermott

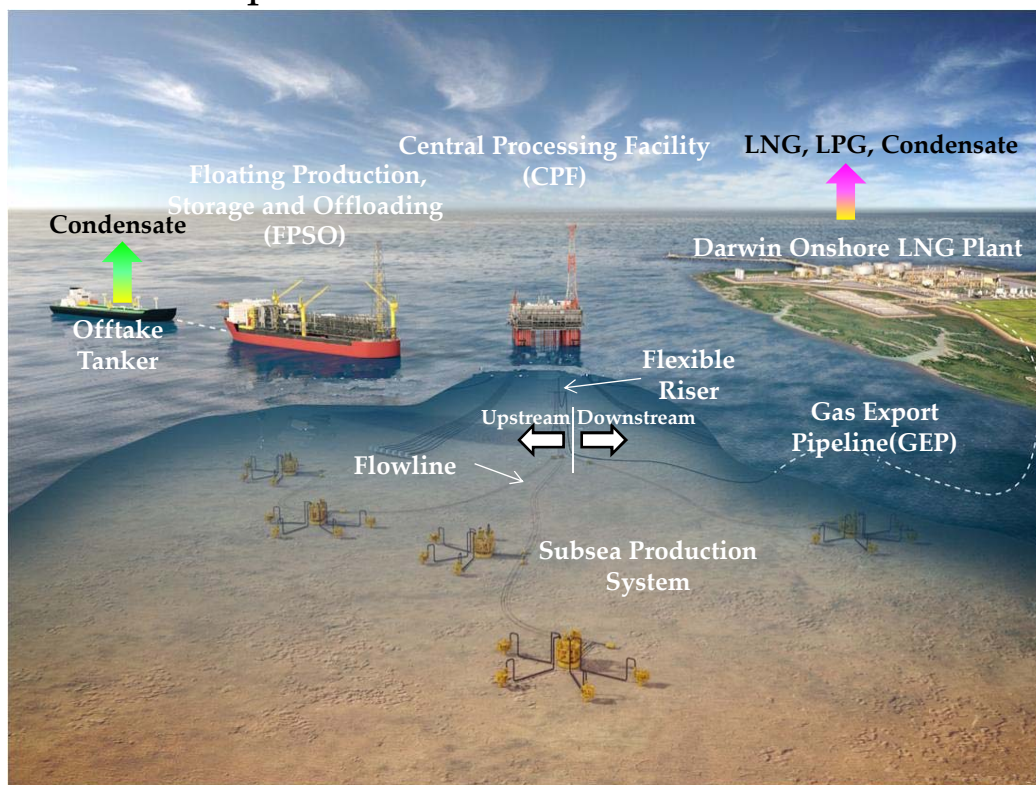
Downstream business : Onshore LNG Plant : JGC, Chiyoda and KBR, Gas Export, Pipeline(GEP): Saipem S.p.A, Mitsui Corporation, Sumitomo Corporation and Metal One Corporation, Dredging in Darwin Harbour: Van Oord, Instrumentation and Control System: Yokogawa Electric (including upstream facilities)

Schedule:



Ichthys LNG Project(3/5)

Development Concept



Key Locations of EPC Works

Underlined: Offshore, *Italicized: Onshore*
Underlined & Italicized: Offshore & Onshore

UK
SPS fabrication

Korea
CPF/FPSO construction

Indonesia
URF facility fabrication and storage

Darwin
LNG plant construction, GEP pipelaying related work

Ichthys field
Drilling, SPS/URF installation

Broome
Drilling supply base

Singapore
Integrated Control and Safety System engineering/ fabrication

Perth
Project management, GEP/URF project management

Ichthys LNG Project(5/5)

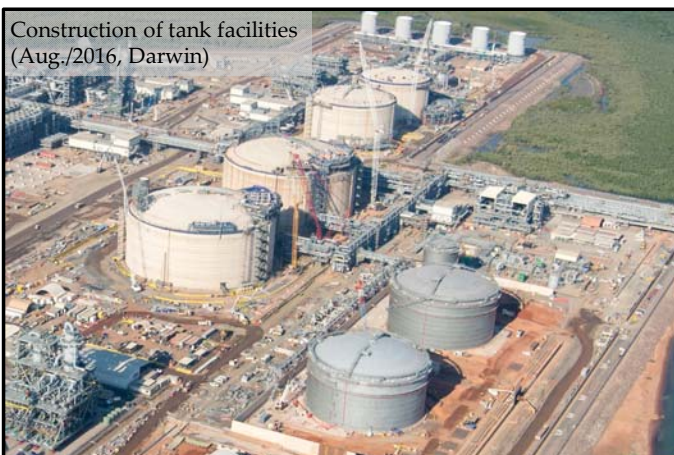
Sub sea 42 inch tie-in spool installation (Jul./2016, Ichthys field)



Shipment of umbilical reel (Oct./2016, Batam)



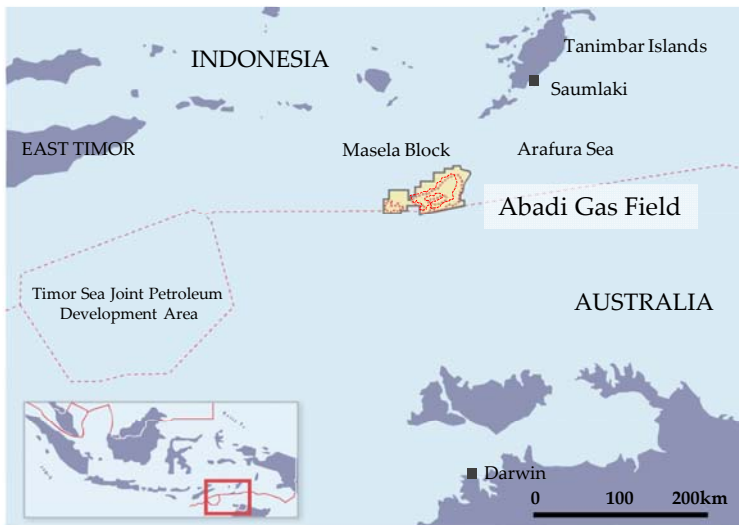
Construction of tank facilities (Aug./2016, Darwin)



Construction of operation complex (Sep./2016, Darwin)



Abadi LNG Project

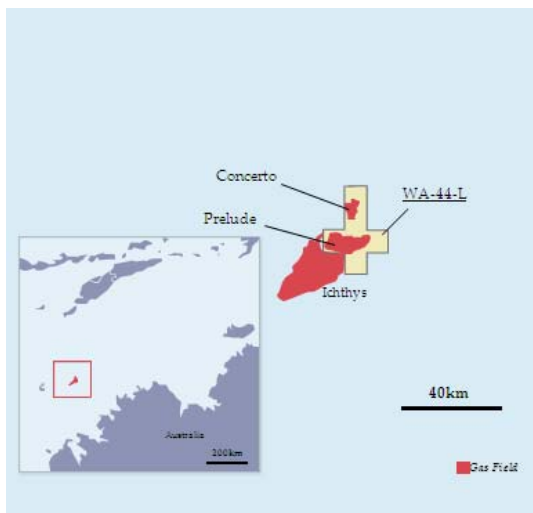


- Received the notice from Indonesian government instructing to re-propose a plan of development based on onshore LNG for the project in April 2016
- Engaged in discussion with Indonesian government regarding the optimal development of the Abadi Gas Field for early start-up of the project
- Strategic alliance with Shell
 - Shell provides technical support and assigns secondees
- PS Contract requires to transfer a 10% participating interest to an Indonesian participant to be designated by the Indonesian Government.
- PSC: Until 2028

■ Participating Interest
 - INPEX(Operator): 65%, Shell: 35%
 ■ Current phase: Preparation for Development

Prelude FLNG Project

INPEX Oil & Gas Australia Pty Ltd.



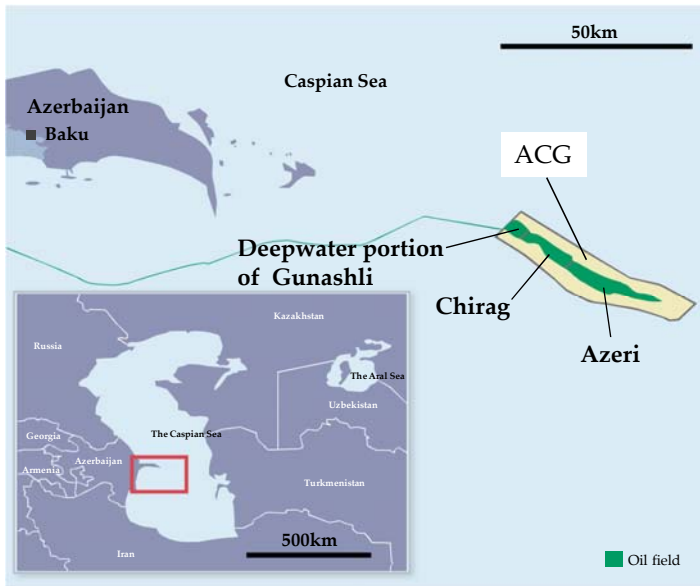
- Participating Interest: 17.5% (Operator: Shell)
- Reserves : approximately 3 trillion cubic feet of gas (Prelude and Concerto gas fields)
- Production volume: 3.6 million t/y of LNG, along with 0.4 million t/y of LPG and approx. 36,000 bbl/d of condensate at peak
- FID in May 2011
- Targeting production start-up around 10 years from when the Prelude gas field was first discovered in early 2007. Expected material cash in 2018
- Reached agreement on LNG sales and purchases (for 8 years commencing in 2017) with JERA (approximately 0.56 MTPA) and Shizuoka Gas (approximately 0.07 MTPA) respectively from INPEX's equity portion of the Project's LNG output (approximately 0.63MTPA)



FLNG

ACG Oil Fields

INPEX Southwest Caspian Sea, Ltd.

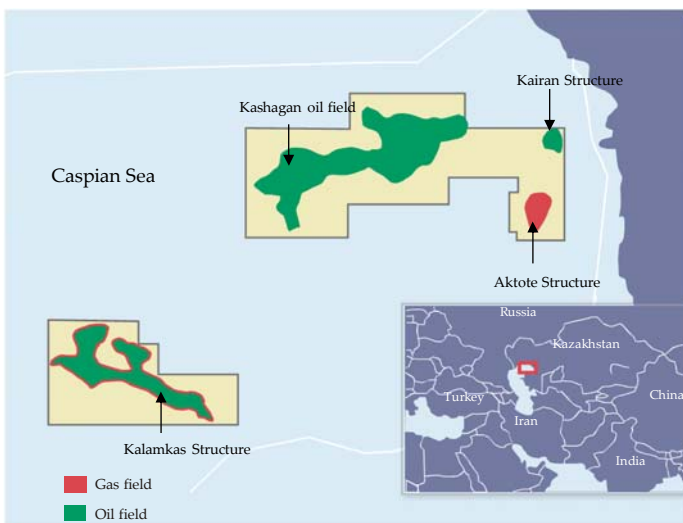


- Participating Interest: 10.9644% (Operator: BP)
- Production volume*
 - Crude Oil: Approximately 569,000 bbl/d
- PSA: Until 2024
- Started oil production in the Chirag area in 1997
- Phase 1 : Started oil production in the Central Azeri area in February 2005
- Phase 2 : Started oil production in the West Azeri area in December 2005 and in the East Azeri area in October 2006
- Phase 3 : Started oil production in the deepwater portion of the Gunashli area in April 2008
- West Chirag (Chirag Oil Project): Started oil production in January 2014

* on the basis of all fields and average rate for Sep. 2016

Kashagan Oil Field, others

INPEX North Caspian Sea, Ltd.

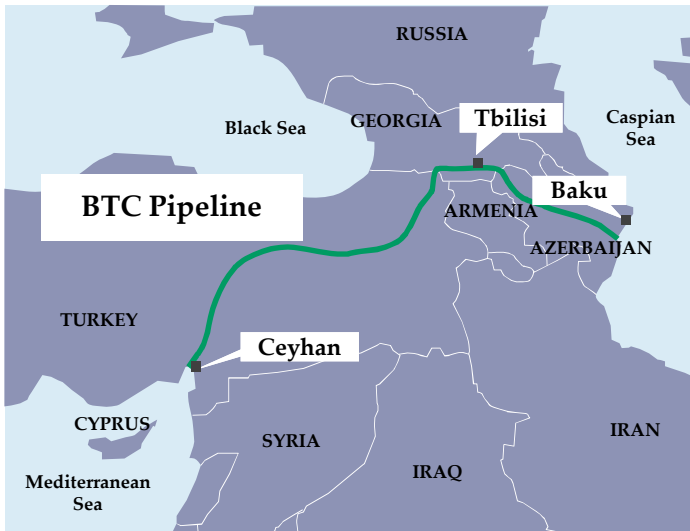


- Participating Interest: 7.56% (Operator: NCOC (North Caspian Operating Company))
- PSA: Kashagan – Until the end of 2021*
- Kalamkas, Aktote and Kairan structures are under evaluation.
- After production start-up in September 2013 from the Kashagan oil field, production had been suspended since October 2013 due to the incident of gas leaking from the pipeline. After production restart and commissioning of production facilities, the field commenced the dispatch of crude oil in October 2016.

*Current PSA provides options for contractor to extend the contract period by 2 x 10 years (until 2041)

BTC (Baku-Tbilisi-Ceyhan) Pipeline Project

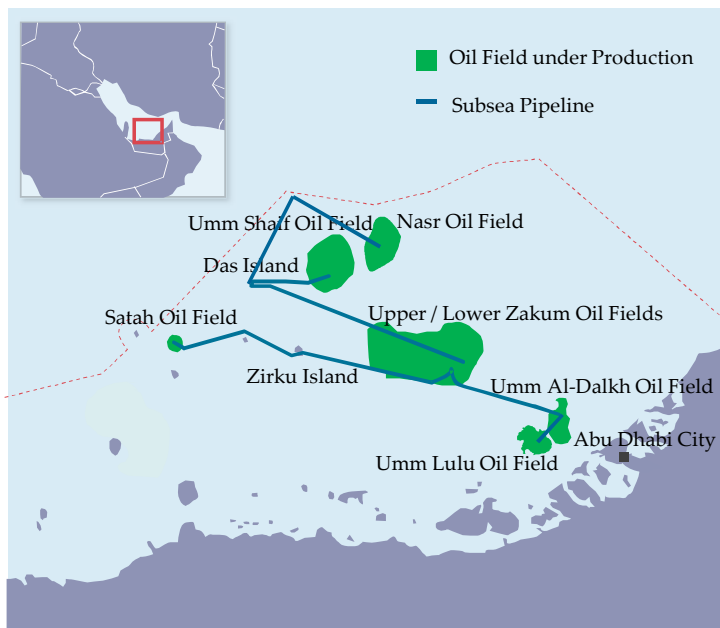
INPEX BTC Pipeline, Ltd.



- Participating Interest: 2.5%
(Operator : BP)
- Obtained stock in the operating company (BTC Co.) through INPEX BTC Pipeline, Ltd. in October 2002
- Commenced crude oil export in June 2006 from Ceyhan terminal
- Completed commissioning work for a 1.2 million bbl/d capacity expansion in March 2009
- Cumulative export volume reached 1,000 million bbls on September 13, 2010
- Cumulative export volume reached 2,000 million bbls on August 11, 2014

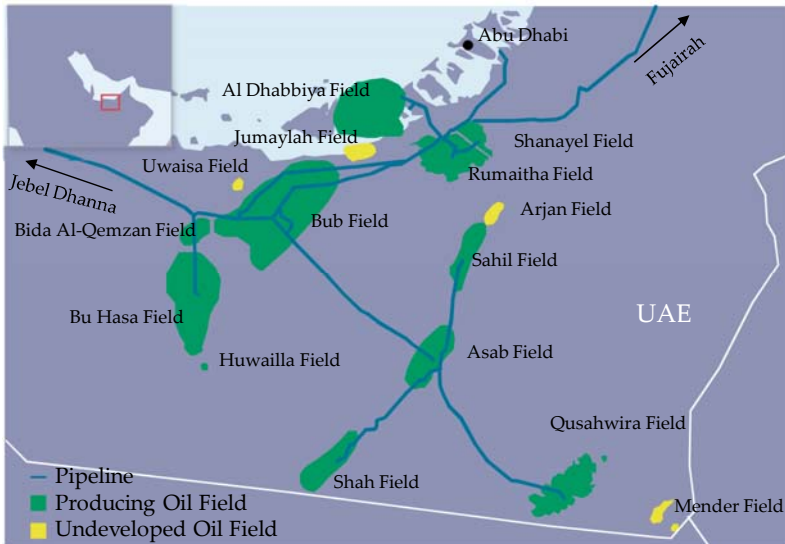
ADMA Block

Japan Oil Development Co., Ltd. (JODCO)



- Umm Shaif / Lower Zakum / Umm Lulu / Nasr
 - Participating Interest: 12.0% (Operator: ADMA-OPCO*)
 - Upper Zakum / Umm Al-Dalkh / Satah
 - Participating Interest:
 - Upper Zakum / Umm Al-Dalkh: 12.0%
 - Satah: 40.0% (Operator: ZADCO*)
- *Operating company owned by companies with participating interests. JODCO has a 12% share in each operating company.
- Concession Agreement: Until 2018
(Contract for Upper Zakum: Until 2041)
 - Continuous development to maintain and increase production levels
 - Implementing full field development plans for Umm Lulu and Nasr Oil Fields
 - Implementing a redevelopment plan using artificial islands for Upper Zakum Oil Field

ADCO Onshore Concession JODCO Onshore Limited

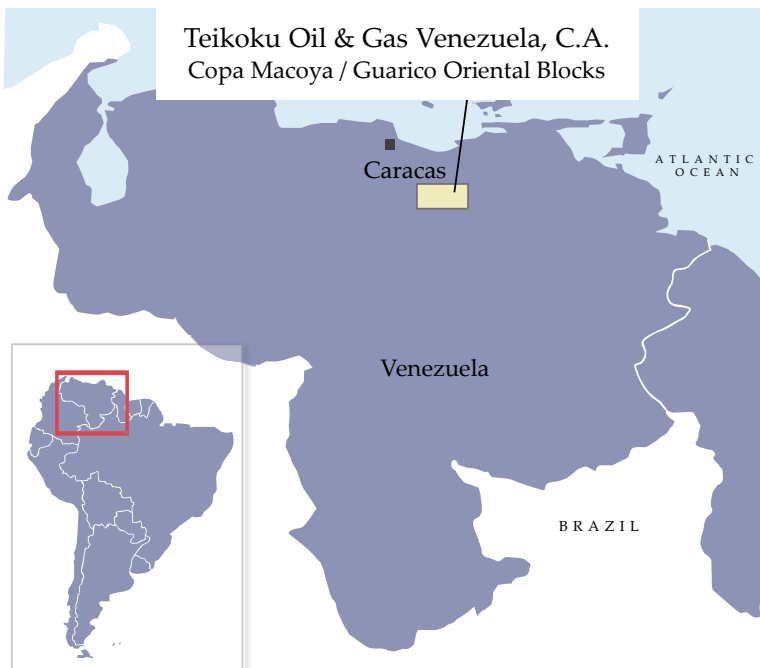


- Participating interest: 5% (Operator: ADCO* (Abu Dhabi Company for Onshore Petroleum Operations))
- Production volume: Approximately 1.6 million bbl/d
- Concession agreement: Until 2054
- Signed the ADCO Onshore Concession Agreement with the Government of Abu Dhabi and ADNOC in April 2015.
- Working to expand production capacity to 1.8 million bbl/d

*Operating company owned by companies with participating interests. JODCO Onshore Limited has a 5% share in the operating company

Venezuela Projects

Teikoku Oil & Gas Venezuela, C.A., other



Copa Macoya / Guarico Oriental Blocks

- INPEX's Share
 - Gas JV : 70% Oil JV : 30%
- Joint Venture Agreement: 2006-2026
- Production volume*:
 - Crude Oil: Approximately 1,000 bbl/d
 - Natural Gas**: Approximately 73 million cf/d

* on the basis of all fields and average rate for Sep. 2016

** Volume not at wellheads but corresponding to the sales to buyers

Brazil Projects

Frade Japão Petróleo Limitada (FJPL) other **INPEX**



Frade Japão Petróleo Limitada (FJPL)

- FJPL's Participating Interest*: 18.3% (Operator : Chevron)
- *FJPL is an equity method affiliate of INPEX. (INPEX owns a 37.5% share of FJPL through a subsidiary)
- Production volume**:

 - Crude Oil: Approximately 22,000 bbl/d
 - Natural Gas***: Approximately 2 million scf/d

- Concession Agreement: Until 2025

BM-ES-23

- Participating Interest: 15%
- Under Exploration (Appraisal)

** on the basis of all fields and average rate for Sep. 2016

*** Volume not at wellheads but corresponding to the sales to buyers

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Canada Shale Gas Project

INPEX Gas British Columbia Ltd. **INPEX**



- Participating Interest: 40%*(Operator : Nexen)
- * INPEX Gas British Columbia Ltd. (Equity ratio: INPEX 45.09%, JOGMEC 44.89%, Canadian Subsidiary of JGC Corporation 10.02%).
- Production Volume**:

 - Natural Gas***: Approximately 79 million scf/d

- Concession Agreement



Hydraulic fracturing site

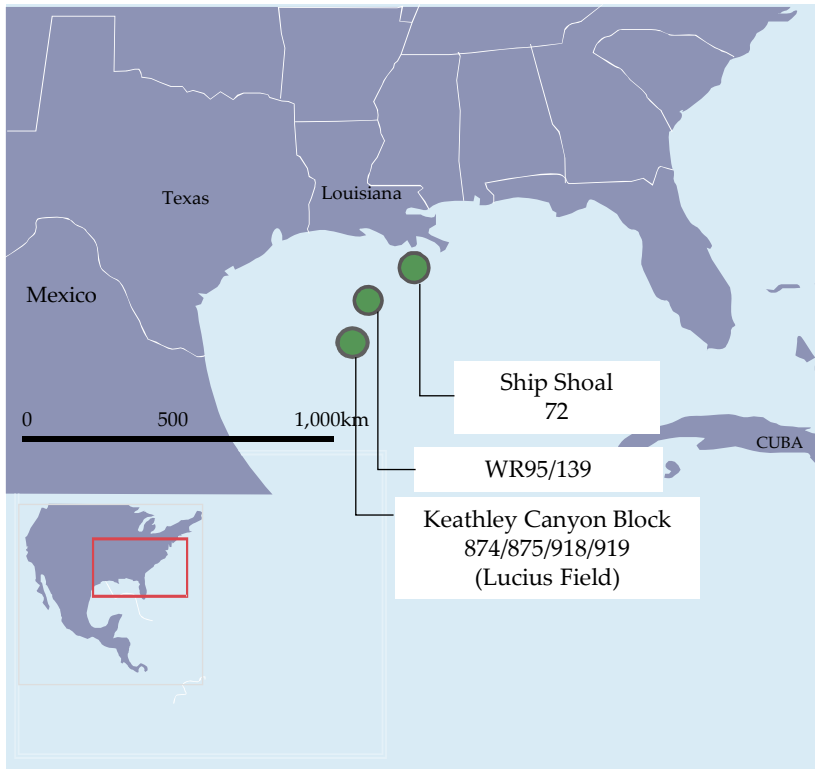
** on the basis of all fields and average daily volume for the six months ended June 30, 2016

*** Volume not at wellheads but corresponding to the sales to buyers

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Gulf of Mexico (USA) Projects

Teikoku Oil (North America) Co., Ltd. / INPEX Gulf of Mexico Co., Ltd. **INPEX**



Shallow Water Area

(Teikoku Oil (North America) Co., Ltd.)

- Concession Agreement
- Participating Interest:
Ship Shoal 72 lease: 25%

Deep Water Project

(INPEX Gulf of Mexico Co., Ltd.)

- Concession Agreement
- Participating Interest:
Walker Ridge 95/139 lease : 12.29%

Lucius Field

(Teikoku Oil(North America) Co., Ltd.)

- Concession Agreement
- Participating Interest: 7.75309% (Operator : Anadarko)
- Production start : January 2015
- Production volume*
 - Crude Oil: Approximately 77,000 bbl/d
 - Natural Gas**: Approximately 84 million cf/d

* on the basis of all fields and average rate for Sep. 2016

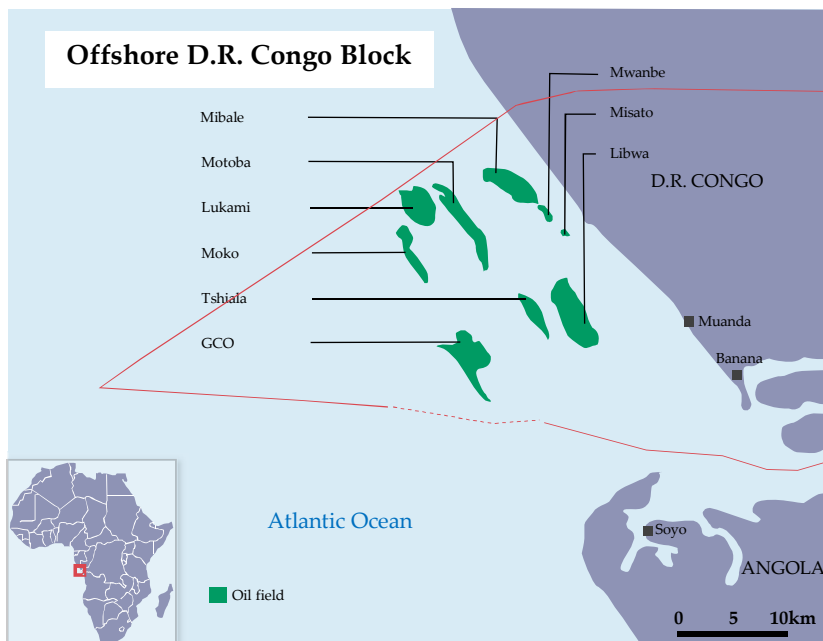
** Volume not at wellheads but corresponding to the sales to buyers

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Offshore D.R. Congo

Teikoku Oil (D.R. Congo) Co., Ltd.

INPEX



- Participating Interest: 32.28%
(Operator: Perenco)
- Concession Agreement: 1969-2023
- Production Commencement: 1975
- Production volume*
 - Crude Oil: Approximately 13,000 bbl/d

* on the basis of all fields and average rate for Sep. 2016

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Offshore Angola Block 14

INPEX Angola Block 14 Ltd.

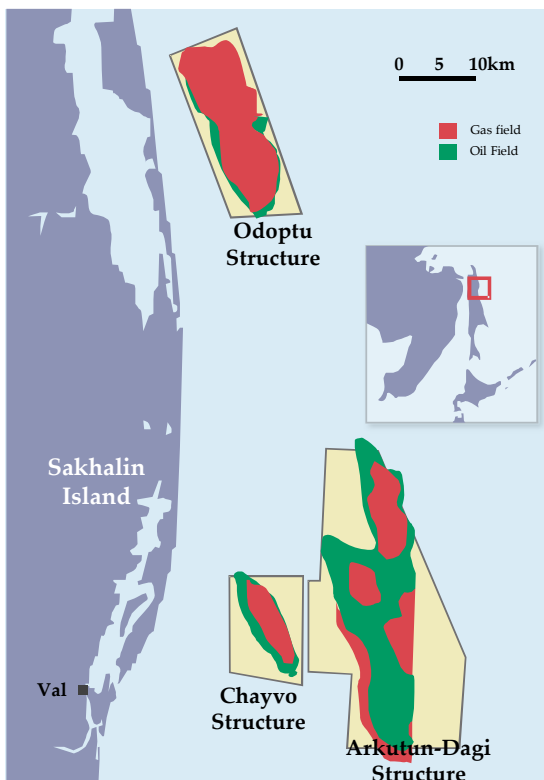


- Participating Interest: 9.99% (Operator: Chevron)
- Production volume*
 - Crude Oil: Approximately 106,000 bbl/d
- PSC: Until 2035

* on the basis of all fields and average rate for Sep. 2016

Sakhalin I

Sakhalin Oil and Gas Development Co., Ltd.



- Sakhalin Oil and Gas Development Co., Ltd. (SODECO): INPEX owns a share of approximately 6.08% in SODECO
- SODECO's Participating Interest: 30.0%
- Production volume*:
 - Crude Oil and condensate: Approximately 198,000 bbl/d
 - Natural Gas: Approximately 660 million cf/d
- Operator: ExxonMobil
- PSA: In December 2001 the project proceeded to the 20-year development phase
- Commenced production from Chayvo Structure in October 2005; commenced crude oil export in October 2006
- Commenced production from Odoptu Structure in September 2010
- The Berkut platform at the Arkutun-Dagi field successfully installed in June 2014
- Commenced production from Arkutun-Dagi Structure in January 2015
- Currently supplying natural gas to Russian domestic market

* on the basis of all fields and average rate for Sep. 2016

Key Companies and Petroleum Contracts I*



Company	Field / Project Name	Country	Contract Type	Ownership	Stage
Japan					
•INPEX CORPORATION	Minami-Nagaoka Gas Field, etc. **	Japan	Concession	-	Producing
Asia/Oceania					
•INPEX CORPORATION	Offshore Mahakam Block	Indonesia	PS	-	Producing
•INPEX South Makassar, Ltd.	Sebuku Block(Ruby Gas Field)	Indonesia	PS	100%	Producing
•INPEX Natuna, Ltd.	South Natuna Block 'B'	Indonesia	PS	100%	Producing
•MI Berau B.V.	Berau Block (Tangguh LNG Project)	Indonesia	PS	44%	Producing
•INPEX Masela, Ltd.	Masela Block (Abadi LNG)**	Indonesia	PS	51.9%	Preparation for Development
•INPEX Sahul, Ltd.	Bayu-Undan Gas Condensate Field	JPDA	PS	100%	Producing
•INPEX Browse E&P Pty Ltd	WA-285-P**, other	Australia	Concession	100%	Exploration
•INPEX Ichthys Pty Ltd.	WA-50-L and WA-51-L (Ichthys) **	Australia	Concession	100%	Development
•Ichthys LNG Pty Ltd.	Ichthys downstream business **	Australia	-	62.245%	Development
•INPEX Oil & Gas Australia Pty Ltd.	Prelude FLNG Project	Australia	Concession	100%	Development
•INPEX Alpha, Ltd.	Van Gogh Oil Field/Coniston Oil Field	Australia	Concession	100%	Producing
•INPEX Alpha, Ltd.	Ravensworth Oil Field	Australia	Concession	100%	Producing

Note:

* As of the end of October 2016

** Operator project

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Key Companies and Petroleum Contracts II*



Company	Field / Project Name	Country	Contract Type	Ownership	Stage
Eurasia (Europe – NIS)					
•INPEX Southwest Caspian Sea, Ltd.	ACG Oil Fields	Azerbaijan	PS	51%	Producing
•INPEX North Caspian Sea, Ltd.	Kashagan Oil Field	Kazakhstan	PS	45%	Producing
The Middle East					
•IODCO	ADMA Block (Upper Zakum, etc.)	UAE	Concession	100%	Producing
•IODCO Onshore Limited	ADCO Onshore Concession	UAE	Concession	51 %	Producing
Africa					
•Teikoku Oil (D.R. Congo) Co., Ltd.	Offshore D.R.Congo	D.R.Congo	Concession	100%	Producing
•INPEX Angola Block 14 Ltd.	Offshore Angola Block 14	Angola	PS	100%	Producing
Americas					
•INPEX Gas British Columbia Ltd.	Canada Shale Gas project	Canada	Concession	45.09%	Producing/Evaluation
•Teikoku Oil & Gas Venezuela, C.A.	Copa Macoya** / Guarico Oriental	Venezuela	IV	100%	Producing
•Teikoku Oil (North America) Co., Ltd.	Lucius Field / Ship Shoal 72 lease	USA	Concession	100%	Producing
•Frade Japão Petróleo Limitada	Frade Block	Brazil	Concession	37.5%***	Producing

Note:

* As of the end of October 2016

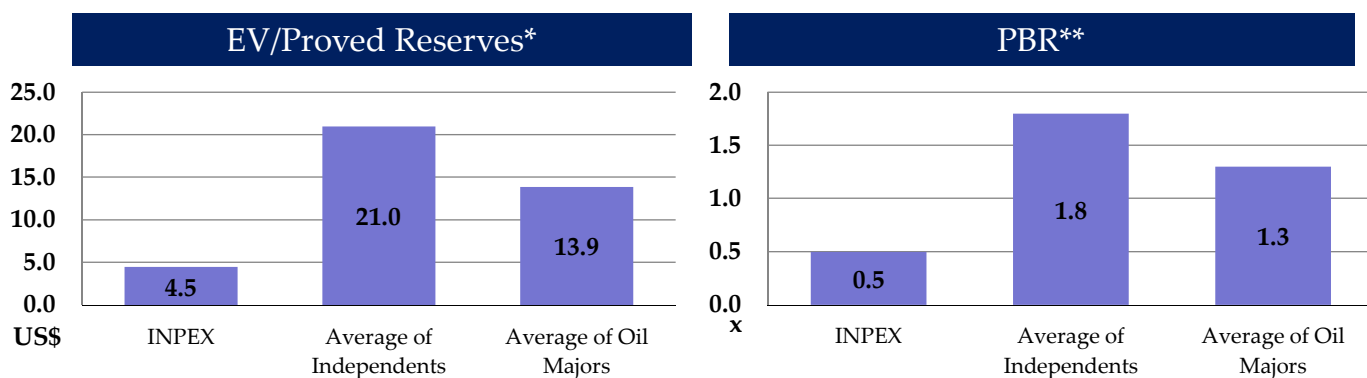
** Operator project

*** Frade Japão Petróleo Limitada is a subsidiary of INPEX Offshore North Campos, Ltd. (INPEX equity-method affiliate). 37.5% ownership refers to indirect investment from INPEX through INPEX Offshore North Campos, Ltd.

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Others

Valuation Indices



• EV (Enterprise Value) / Proved Reserves= (Total market value + Total debt - Cash and cash equivalent + Non-controlling interests) / Proved Reserves. Total market value as of 30/09/2016, Financial data: INPEX as of 30/09/2016 Independents and Oil Majors as of 30/06/2016 and Proved Reserves: INPEX as of 31/03/2016 Independents and Oil Majors as of 31/12/2015.

** PBR = Stock price / Net assets per share. Total market value as of 30/09/2016. Financial data: INPEX as of 30/09/2016 Independents and Oil Majors as of 30/06/2016. Sources based on public data.

Three Growth Targets and Key Initiatives until start-up of Ichthys LNG Project

1. Continuous Enhancement of E&P Activities
→ Achieve a net production volume of 1 million boed by the early 2020s
2. Strengthening Gas Supply Chain
→ Achieve a domestic gas supply volume of 2.5 billion m³/year in the early 2020s
3. Reinforcement of Renewable Energy Initiatives
→ Promote efforts to commercialize renewable energies and reinforce R&D activities for the next generation

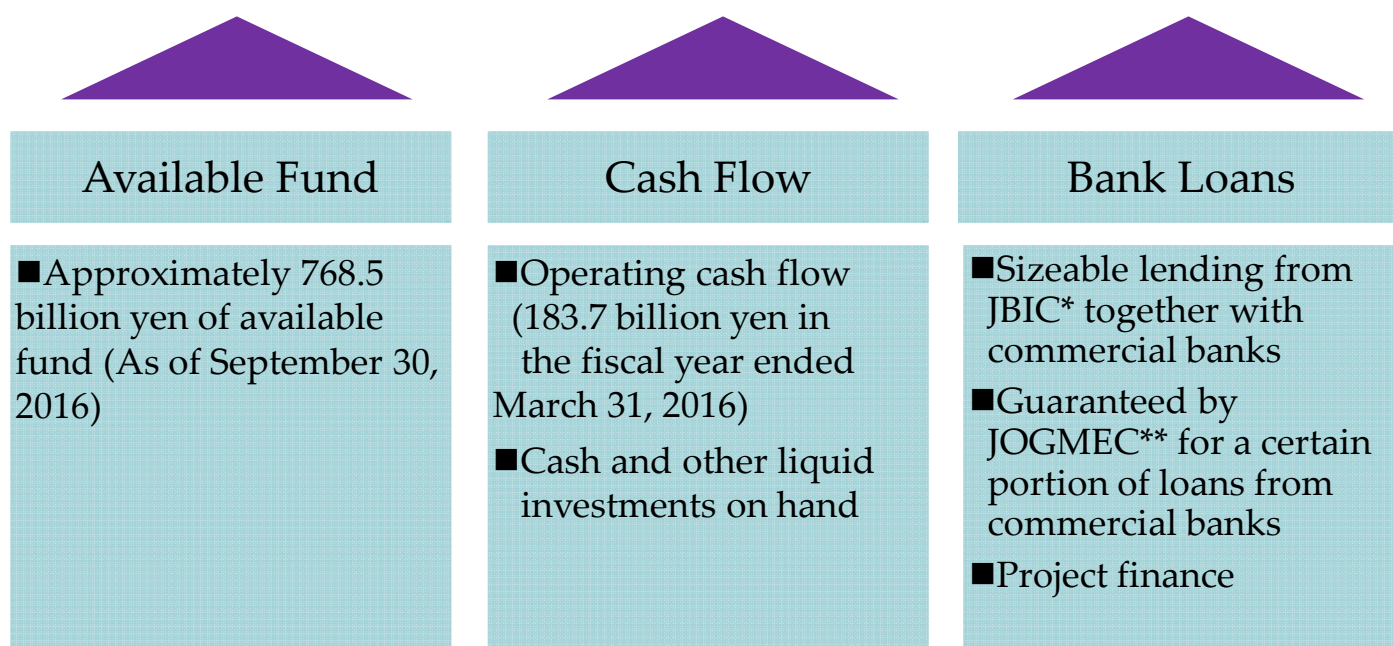
Three Management Policies and Our Vision

1. Securing / Developing Human Resources and Building Efficient Organizational Structure
2. Investment for Growth and Return for Shareholders
3. Responsible Management as a Global Company

44 * Announcement in May 2012

Investment Plan and Funding Sources

Approximately 3.5 trillion yen (announced in May 2012)
For Ichthys, Abadi and other E&P projects etc.
5 years (from FY 2013 to FY 2017)



* JBIC : Japan Bank for International Cooperation

** JOGMEC : Japan Oil, Gas and Metals National Corporation

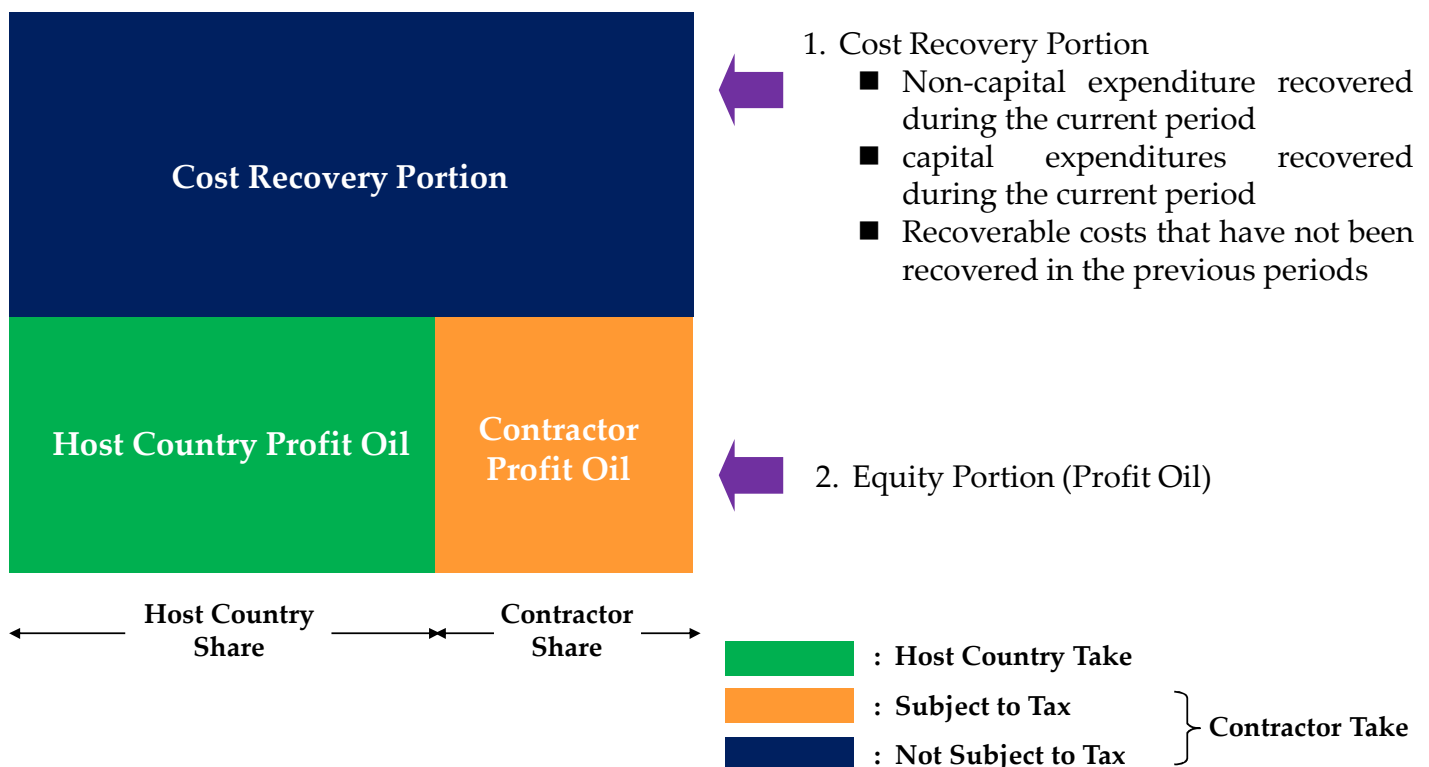
Advantage of low-cost funding

Maintain strong balance sheet to achieve financial stability and secure further debt capacity

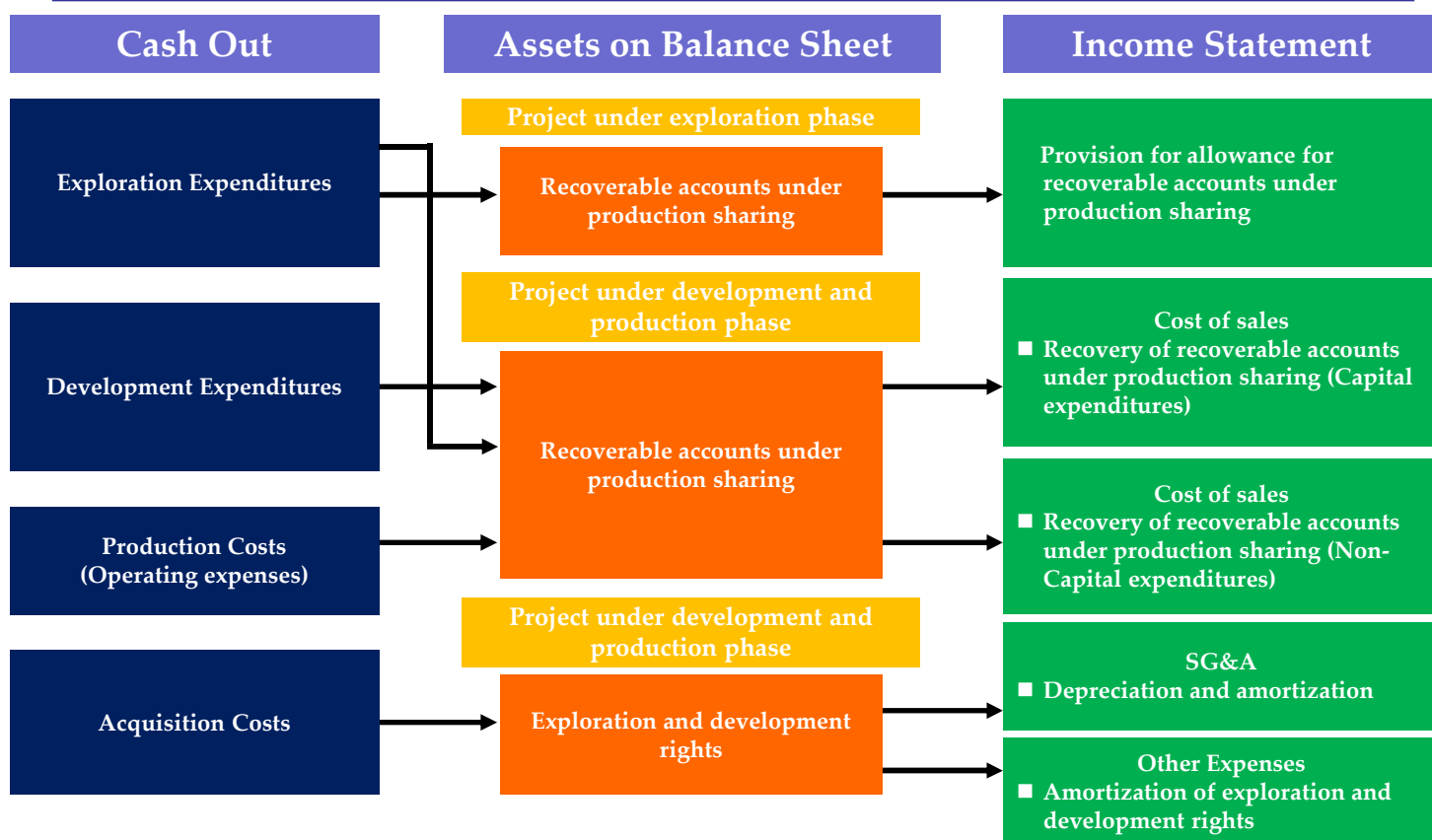
Leverage relationships with governmental financial institutions, such as JBIC and JOGMEC, to fund development costs

- Maintain funding capability to ensure necessary investments, which are for major projects such as Ichthys and Abadi
- Maintain strong balance sheet to enable continuous investments in potential projects in the future
- Long-term target financial leverage
 - Equity Ratio : 50% or higher
 - Net Debt / Total Capital Employed Ratio: 20% or less

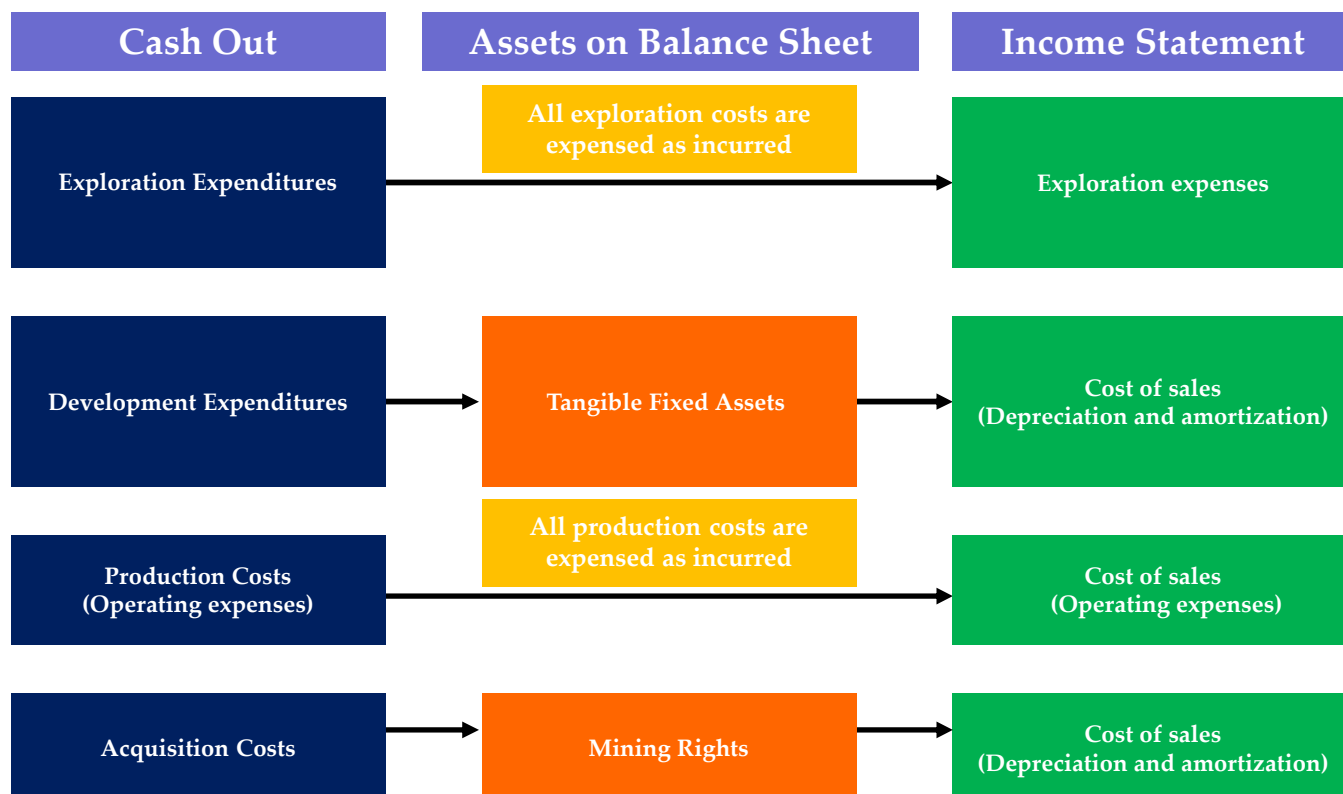
Production Sharing Contracts



Accounting on Production Sharing Contracts **INPEX**



Accounting on Concession Agreements **INPEX**



Summary of Australian Taxation



※Content may change due to tax revisions

Sales ⇒ (Oil/Gas sales price) × (Sales volume)①

Operating expense ⇒ OPEX incurred in relevant year (+Exploration cost)+CAPEX tax depreciation②



PRRT(Petroleum Resource Rent Tax)

=(Upstream Revenue – Upstream Capex & Opex – Expl. Cost – Abandonment Cost – undeducted PRRT expenditure carried forward) × 40%③

•PRRT deductions are made in the following order: Upstream Capex, Opex, Expl. Cost, Abandonment Cost.

Note: Exploration cost is subject to mandatory transfer between Projects/members of the same group of entities.

•Undeducted PRRT Expenditure: non-utilized deductible PRRT expenditure can be carried forward to the following year(s), subject to augmentation at the rates set out below;

Development cost: LTBR+5%; Expl. Cost: LTBR+15%;

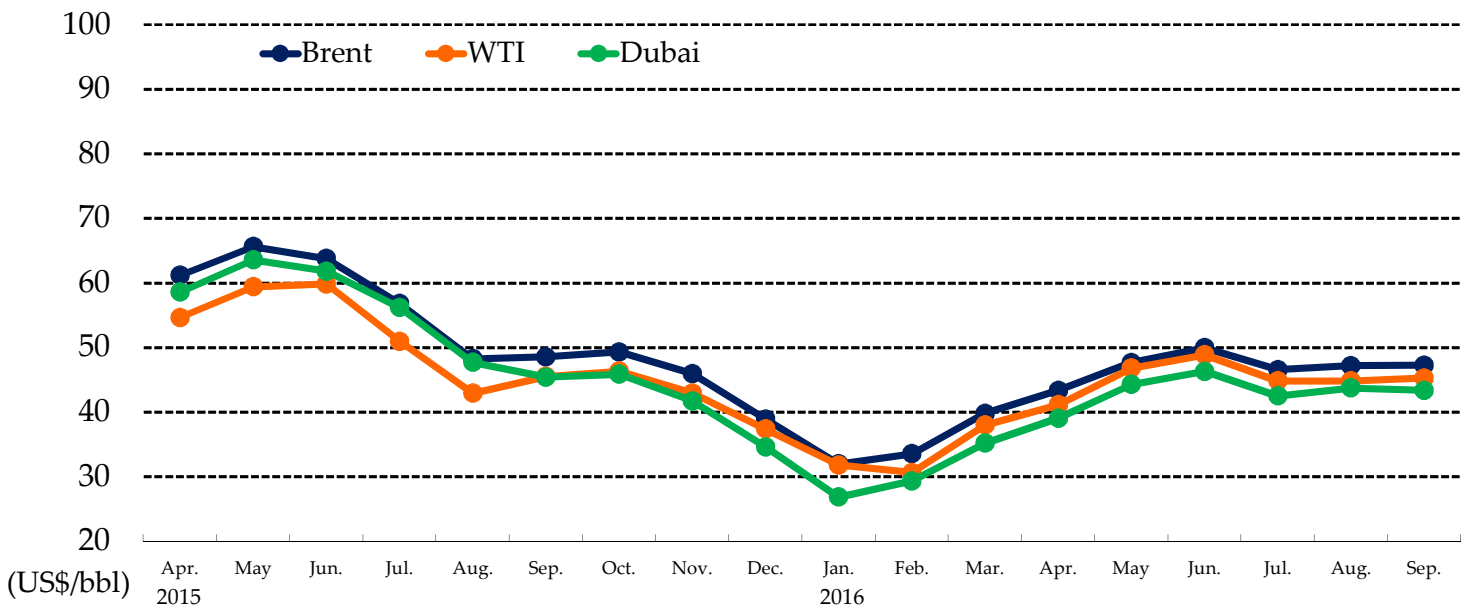
*GDP Factor applies to all expenditure incurred more than 5 years before the Production License application is made.

*LTBR = Long Term Bond Rate

*GDP Factor = GDP Deflator of Australia

Corporate Tax = (① – ② – ③ – Interest paid) × 30%

Crude Oil Price Movements



	Apr.-Sep. 2015 Average	Apr. 2015 -Mar. 2016 Average	2015							Apr.-Sep. 2016 Average
			Apr.	May	Jun.	Jul.	Aug.	Sep.		
Brent	57.31	48.73	43.34	47.65	49.93	46.53	47.16	47.24	47.01	
WTI	52.19	45.00	41.12	46.80	48.85	44.80	44.80	45.23	45.27	
Dubai	55.52	45.54	39.03	44.27	46.26	42.46	43.70	43.33	43.17	